Disclaimer: Forward Looking Statements

This presentation/announcement may contain forward looking statements with projections regarding, among other things, the Group’s strategy, revenues, earnings, trading profit, trading margin, finance costs, tax rate, capital expenditure, dividends, cash flow, net debt or other financial measures, the impact of foreign exchange fluctuations, the impact of raw material fluctuations and other competitive pressures. These and other forward looking statements reflect management expectations based on currently available data.

However, actual results will be influenced by, among other things, macro-economic conditions, food industry supply and demand issues, foreign exchange fluctuations, raw material and commodity fluctuations, the successful acquisition and integration of new businesses, the successful execution of business transformation programmes and other, as of today, unknown factors. Therefore actual results may differ materially from these projections.

These forward looking statements speak only as of the date they were made and the Group undertakes no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.
2018 Interim Management Report

1. Review of Business
   - Edmond Scanlon, CEO

2. Financial Review
   - Brian Mehigan, CFO

3. Outlook & Future Prospects
H1 2018 Highlights

Continued Outperformance

Strong volume driven performance ahead of our markets

Winning through Taste & Nutrition

From-food for-food heritage more relevant than ever

Industry Leading Business Model

Strategic initiatives progressed – enhancing Kerry’s unique customer proposition
Interim 2018 Performance – Delivering Growth & Return

Growth

- Volume: +3.6%
  - Outperforming market

- Trading Margin: 10.5%
  - Good underlying progression

- Adjusted EPS* (CCY): +9.0%
  - Continued growth

Return

- ROACE*: 12.4%
  - Above target

- Free Cash Flow: €201m
  - 79% conversion in the period

- Dividends: +11.7%
  - Dividend of 21.0 cent proposed

Note: * before brand related intangible asset amortisation and non-trading items (net of related tax) | 1 expressed as a percentage of adjusted earnings after tax
H1 2018 Market Overview

**Marketplace Dynamics**

- Consumer fragmentation continues – demand for product differentiation
- Supply chains being redefined
- Geopolitical and regulatory changes
- Speed of innovation key to success
- Retailers continuing to develop foodservice platforms

**Developed Markets**

- Economic conditions relatively healthy
- Currency volatility persists
- Focus on authentic and clean label continuing to evolve
- Strong growth in plant protein innovations
- Premiumisation of taste and demand for authentic world tastes driving innovation

**Developing Markets**

- Economic conditions varied but progressive overall
- Localisation of new tastes driving innovation
- New and evolving snacking occasions
- Continued growth of digital
- Increased regulation continues

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Revenue and Margin Growth

Group
€3,225m
Volume +3.6%
Margin -10bps

Taste & Nutrition
€2,579m
Volume +4.1%
Margin +10bps

Consumer Foods
€685m
Volume +1.3%
Margin -60bps
Business Review – Taste & Nutrition

- Continued volume growth ahead of our markets:
  - Meat, Beverage & Snacks End Use Markets (EUMs) growing strongly
  - Clean label portfolio, natural extracts and TasteSense™ sugar reduction technology performing well
  - Foodservice – growth of 6.2%
  - Developing markets – growth of 9.6%
  - Winning across increasingly diverse customer base
- Pricing of 0.6% – raw material inflation fully recovered
- Trading profit – increased by 10.6% on a constant currency basis
- Margin progression – good underlying growth driven by operating leverage, portfolio enhancement and efficiencies, offset by currency headwinds and growth investments
Business Review – Taste & Nutrition

Business Growth by Region

**Americas**
- **REVENUE €1,307m**
  - North America – Meat, Snacks & Beverage EUMs delivered good growth
  - Continued high level of product churn
  - LATAM – Mexico and Central America delivered good growth, Brazil performed well but impacted by ‘trucker’ dispute

**Europe**
- **REVENUE €700m**
  - Beverage, Dairy & Meat EUMs delivered good growth
  - Foodservice chains – number of new launches across the menu
  - Southern Europe and Russia delivered strong growth
  - Ojah J.V. – enhancing plant-based protein technologies

**APMEA**
- **REVENUE €537m**
  - Bakery, Meals & Snacks EUMs – strong growth
  - Southeast Asia delivered an excellent performance
  - Good progress in Middle East and Sub-Saharan Africa
  - Strategic expansion continuing (organic and acquisitive – SIAS and Season to Season)

**Volume Growth by Region**
- **AMI 2.8%**
- **EUROPE 2.7%**
- **APMEA 10.1%**
- **T&N 4.1%**

Note: third party revenue and Kerry market estimates
Business Review – Consumer Foods

Revenue
Trading margin

H1 2018
€685m
7.0%

Growth
+1.3%¹
(60bps)

• Volume growth ahead of market – good performance across ‘Food to Go’ range
• Raw materials inflation eased – pricing of +0.9% on average across the period
• Trading profit – increased by 3.7% excluding the impact of transaction and translation currency
• Trading margin – underlying growth more than offset by the negative impact of transaction currency
• Brexit Mitigation Programme progressing to plan
• Good business development in ‘Food to Go’ – enhancing portfolio and positioning

Revenue

Everyday Fresh
- Richmond – good growth and successful launch of Richmond chicken sausage
- Spreads – continued good growth with spreadable butter technology

Convenience Meal Solutions
- Category volumes impacted by reduced promotional activity
- Frozen – retail category remains challenged
- Good business development in better-for-you ranges

Food to Go
- Meat snacking – performed well and commenced relaunch of Fridge Raiders range
- Dairy snacking – Cheestrings range delivered good growth
- Food to Go solutions – Rollover growing strongly with new listings

Note: ¹ volume growth
Financial Highlights

€3,225m
Revenue

€340m
Trading Profit

144.2c
Adjusted EPS

Brian Mehigan, CFO
Kerry Model Underpinning Continued Delivery

- Sustained volume growth ahead of market
- Currencies remaining volatile
- Managing input cost environment
- Continued investment for long term growth

Sources: Kerry market estimates, ECB foreign exchange rates, FAO annual food price index
## H1 2018 Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>Result</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€3,225m</td>
<td>+3.6% volume growth</td>
</tr>
<tr>
<td>Trading profit</td>
<td>€340m</td>
<td>+8.7% constant currency (+0.5% reported)</td>
</tr>
<tr>
<td>Trading margin</td>
<td>10.5%</td>
<td>-10bps reported (impacted by 40bps fx headwinds)</td>
</tr>
<tr>
<td>Adjusted EPS*</td>
<td>144.2c</td>
<td>+9.0% constant currency</td>
</tr>
<tr>
<td>Basic EPS</td>
<td>128.3c</td>
<td>+0.5% reported (post currency &amp; NTIs)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>€201m</td>
<td>79% conversion¹</td>
</tr>
</tbody>
</table>

**Note:** *before brand related intangible asset amortisation and non-trading items (net of related tax) ¹ expressed as a percentage of adjusted earnings after tax*
Revenue Growth Analysis

- H1 2018: €3,225m
- H1 2017: €3,181m

Growth Rate: 1.4%

Volume: 3.6%
- Translation currency (6.6%)
- Transaction currency (0.1%)

Price: 0.6%

Acquisition/disposal: 3.9%
Revenue – Continued Volume Growth Ahead of Markets

- **Group**: €3,225m, Kerry volume growth +3.6%, Market volume growth +1.3%
- **Taste & Nutrition**: €2,579m, Kerry volume growth +3.6%, Market volume growth +1.5%
- **Consumer Foods**: €685m, Kerry volume growth +1.3%, Market volume growth +0.5%

* Kerry market estimates based on published data and company volume disclosures
## Trading Profit: Currency Impact

### 2018 Translation Effect

<table>
<thead>
<tr>
<th>H1 2018 Trading Profit</th>
<th>Reported Growth</th>
<th>Translation Currency</th>
<th>Constant Currency Growth</th>
<th>Transaction Currency</th>
<th>Currency Neutral Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taste &amp; Nutrition</td>
<td>2.5%</td>
<td>(8.1%)</td>
<td>10.6%</td>
<td>(0.6%)</td>
<td>11.2%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>(6.9%)</td>
<td>(1.8%)</td>
<td>(5.1%)</td>
<td>(8.8%)</td>
<td>3.7%</td>
</tr>
<tr>
<td>Group</td>
<td>0.5%</td>
<td>(8.2%)</td>
<td>8.7%</td>
<td>(1.9%)</td>
<td>10.6%</td>
</tr>
</tbody>
</table>
Group Trading Margin Breakdown

<table>
<thead>
<tr>
<th></th>
<th>H1 2017</th>
<th>Operating leverage / portfolio mix</th>
<th>Net price</th>
<th>KerryExcel Efficiencies</th>
<th>KerryExcel Investments</th>
<th>Currency</th>
<th>Acquisitions</th>
<th>H1 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>10.6%</td>
<td>+0.4%</td>
<td>0.0%</td>
<td>0.2%</td>
<td>(0.3%)</td>
<td>(0.4%)</td>
<td>0.0%</td>
<td>10.5%</td>
</tr>
</tbody>
</table>
Trading Margin – Business Breakdown

<table>
<thead>
<tr>
<th>Category</th>
<th>Margin Progression</th>
<th>Trading Margin %</th>
<th>Trading Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>-10bps</td>
<td>10.5%</td>
<td>€340m</td>
</tr>
<tr>
<td>Taste &amp; Nutrition</td>
<td>+10bps</td>
<td>13.1%</td>
<td>€339m</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>-60bps</td>
<td>7.0%</td>
<td>€48m</td>
</tr>
</tbody>
</table>

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## Free Cash Flow – Solid Result

<table>
<thead>
<tr>
<th>Item</th>
<th>H1 2018 €m</th>
<th>H1 2017 €m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading profit</td>
<td>340</td>
<td>338</td>
</tr>
<tr>
<td>Depreciation (net)</td>
<td>67</td>
<td>69</td>
</tr>
<tr>
<td>Movement in average working capital</td>
<td>(29)</td>
<td>118</td>
</tr>
<tr>
<td>Pension contributions paid less pension expense</td>
<td>(22)</td>
<td>(23)</td>
</tr>
<tr>
<td><strong>Cash inflow from operations</strong></td>
<td><strong>356</strong></td>
<td><strong>502</strong></td>
</tr>
<tr>
<td>Finance costs (net)</td>
<td>(23)</td>
<td>(21)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(18)</td>
<td>(22)</td>
</tr>
<tr>
<td>Capital expenditure (net)</td>
<td>(114)</td>
<td>(102)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td><strong>201</strong></td>
<td><strong>357</strong></td>
</tr>
</tbody>
</table>

*Cash conversion*  
79% 141%

Note: *free cash flow as a % of adjusted earnings after tax*
### Financial Ratios & Debt Profile – Disciplined Growth

#### Returns

<table>
<thead>
<tr>
<th></th>
<th>Target</th>
<th>H1 2018</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROACE</td>
<td>12%</td>
<td>12.4%</td>
<td>13.2%</td>
</tr>
</tbody>
</table>

#### Banking Ratios

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Covenant</th>
<th>H1 2018</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt: EBITDA&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Max 3.5x</td>
<td>1.5x</td>
<td>1.3x</td>
</tr>
<tr>
<td>EBITDA: net interest&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Min 4.75x</td>
<td>14.8x</td>
<td>14.9x</td>
</tr>
</tbody>
</table>

### Maturity Profile of Net Debt

- **2018**: (260)  
- **2019**: 141  
- **2020**: 86  
- **2021**: 644  
- **2022**: 792

---

*Note: before brand related intangible asset amortisation and non-trading items (net of related tax) | <sup>1</sup> calculated in accordance with lender covenants*

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Other Financial Matters

Pension
Deficit of €35m – down €67m from year end – driven by favourable movements in discount and inflation rates

Non-trading items
Charge of €15m (net of tax) due to acquisition integration and the Brexit Mitigation Programme

Kerryconnect
LATAM deployment progressing well, as programme builds for North America

Raw materials
Low inflation in H1 turning to deflation

Currency
Translation headwind has eased since February guidance

<table>
<thead>
<tr>
<th>Expected FY 2018 EPS Impact</th>
<th>Feb</th>
<th>Aug</th>
</tr>
</thead>
<tbody>
<tr>
<td>Translation</td>
<td>(7%)</td>
<td>(5%)</td>
</tr>
<tr>
<td>Transaction</td>
<td>(2%)</td>
<td>(2%)</td>
</tr>
</tbody>
</table>
Outlook and Future Prospects

Edmond Scanlon, CEO
Localisation Continues to Drive Innovation and Capture Market Share

- Private and smaller brands have seen growth in market share
- The pace of this growth has increased in recent years
- Smaller brands are growing particularly in soft drinks, prepared meals and snacks
- Meeting local taste preferences is key to success

Smaller Brands and Private Labels Gaining Market Share

Food & Beverages: Change in % Market Share 2016-2017

Source: Kerry estimates, Euromonitor
Winning with Kerry Business Model in Local Markets

**Culinary & Insights**
Consumer intimacy through proprietary insights framework

- **In-market application labs**
- **In-country marketing**
- **Local business development**

**Development & Applications**

- **wellmune**
- **Ganeden**
- **ISLAND OASIS**
- **TasteSense™**
- **Red Arrow**

*some examples*

**Product Process Technologies**

- **Encapsulation**
- **Distillation**
- **Pyrolysis**
- **Fermentation**
- **Ultrafiltration**
- **Hydrolysis**
- **Centrifugation**
- **Extraction**

135 manufacturing facilities

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Winning with ‘5R’ Clean Label Approach Across Taste & Nutrition

- Proprietary research
- From ideation to launch
- Taste & Nutrition without compromise

Replace
Replace ingredient(s) with clean label alternatives while retaining key functionality, taste and/or nutrition profiles

Reduce
Leverage clean label technologies to reduce specific ingredients and simplify ingredient statements

Remove
Eliminate specific ingredient(s)

Re-invent
Natural brand customers reinventing categories

Re-position
Customers asking for creative ways to reposition products in the marketplace

Globally Clean Label products – 36% of new launches

Source: Mintel GNPD 2018 analysis
The Growing Demand for Plant Protein

71% of consumers consider plant protein healthy

Plant Protein Proposition

- An Allergen Free, Vegan Protein for Functional Waters, Juices & Energy Drinks
- Plant protein for bars application
- ProDiem™ TNT
- ProDiem™ Refresh

Nutritional Beverage – Tropical Protein Water

Using our ProDiem™ Refresh and Taste Technology our application specialists, taste scientists and nutritional specialists developed this clean label Tropical protein water that delivers high protein, refreshment and taste.

Note: ¹Kerry Primary Research 2017

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Outlook 2018

• Continued performance ahead of our markets
  – **Taste & Nutrition:** unique business model delivering strong innovation with good momentum in both developed and developing markets
  – **Consumer Foods:** realigned business positioned to deliver against a cautious consumer outlook

• Continued investment for fragmented marketplace and realisation of growth opportunities

• Scalable business model through continued organic and M&A investment

**In 2018, we expect to deliver adjusted EPS* growth of 7% to 10% on a constant currency basis**¹

---

Note: * before brand related intangible asset amortisation and non-trading items (net of related tax)

¹ Constant currency guidance range includes adverse transaction currency effect of 2% on EPS (i.e. currency neutral 2018 EPS guidance range is 9% - 12%)
Save the Date

Investor Day
Singapore

25 October 2018
Questions & Answers
Translation Currency – Significant Headwinds in H1

Average Exchange Rates – H1 2018 v H1 2017

Source: ECB rates
# Revenue Growth Components H1 2018

<table>
<thead>
<tr>
<th></th>
<th>Volumes</th>
<th>Price</th>
<th>Transaction Currency</th>
<th>Translation Currency</th>
<th>Acquisitions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taste &amp; Nutrition</td>
<td>4.1%</td>
<td>0.6%</td>
<td>0.0%</td>
<td>(7.9%)</td>
<td>4.6%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>1.3%</td>
<td>0.9%</td>
<td>(0.4%)</td>
<td>(1.6%)</td>
<td>1.0%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Group</td>
<td>3.6%</td>
<td>0.6%</td>
<td>(0.1%)</td>
<td>(6.6%)</td>
<td>3.9%</td>
<td>1.4%</td>
</tr>
</tbody>
</table>
## Trading Margin by Business

<table>
<thead>
<tr>
<th></th>
<th>Revenue (€m)</th>
<th>H1 2018 Trading Profit (€m)</th>
<th>%</th>
<th>Revenue (€m)</th>
<th>H1 2017 Trading Profit (€m)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taste &amp; Nutrition</td>
<td>2,579</td>
<td>339</td>
<td>13.1%</td>
<td>2,543</td>
<td>331</td>
<td>13.0%</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>685</td>
<td>48</td>
<td>7.0%</td>
<td>677</td>
<td>51</td>
<td>7.6%</td>
</tr>
<tr>
<td>Eliminations/unallocated</td>
<td>(39)</td>
<td>(47)</td>
<td>–</td>
<td>(39)</td>
<td>(44)</td>
<td>–</td>
</tr>
<tr>
<td>Group</td>
<td>3,225</td>
<td>340</td>
<td>10.5%</td>
<td>3,181</td>
<td>338</td>
<td>10.6%</td>
</tr>
</tbody>
</table>
## EPS Reconciliation

<table>
<thead>
<tr>
<th></th>
<th>H1 2018 € cent</th>
<th>H1 2017 € cent</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic EPS</td>
<td>128.3</td>
<td>127.6</td>
<td>0.5%</td>
</tr>
<tr>
<td>Brand related intangible asset amortisation</td>
<td>7.2</td>
<td>6.1</td>
<td>–</td>
</tr>
<tr>
<td>Non-trading items (net of related tax)</td>
<td>8.7</td>
<td>10.1</td>
<td>–</td>
</tr>
<tr>
<td>Adjusted EPS*</td>
<td>144.2</td>
<td>143.8</td>
<td>0.3%</td>
</tr>
<tr>
<td>Retranslating PY adjusted EPS at current year average fx rates</td>
<td>–</td>
<td>(11.5)</td>
<td>–</td>
</tr>
<tr>
<td>Basic EPS</td>
<td>144.2</td>
<td>132.3</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

*Note: * before brand related intangible asset amortisation and non-trading items (net of related tax)
# Net Debt (€m) as at 30 June 2018

<table>
<thead>
<tr>
<th></th>
<th>Debt</th>
<th>@ Floating Rates</th>
<th>@ Fixed Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euro</td>
<td>1,066</td>
<td>276</td>
<td>790</td>
</tr>
<tr>
<td>Sterling</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>US Dollar</td>
<td>596</td>
<td>381</td>
<td>215</td>
</tr>
<tr>
<td>Other</td>
<td>31</td>
<td>31</td>
<td>–</td>
</tr>
<tr>
<td>Gross debt</td>
<td>1,693</td>
<td>688</td>
<td>1,005</td>
</tr>
<tr>
<td>Cash</td>
<td>(290)</td>
<td>(290)</td>
<td>–</td>
</tr>
<tr>
<td>Net debt</td>
<td>1,403</td>
<td>398</td>
<td>1,005</td>
</tr>
</tbody>
</table>

- **Gross debt**: 100% @ Floating Rates, 41% @ Fixed Rates, 59% Gross debt
- **Net debt**: 100% @ Floating Rates, 28% @ Fixed Rates, 72% Net debt
Strategic Targets (2018-2022)

On average across the 5 years

Growth

<table>
<thead>
<tr>
<th>Volume Growth</th>
<th>Margin Expansion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taste &amp; Nutrition</td>
<td>Taste &amp; Nutrition</td>
</tr>
<tr>
<td>4% to 6% p.a.</td>
<td>40 bps p.a.</td>
</tr>
<tr>
<td>Consumer Foods</td>
<td>Consumer Foods</td>
</tr>
<tr>
<td>2% to 3% p.a.</td>
<td>20 bps p.a.</td>
</tr>
<tr>
<td>Group</td>
<td>Group</td>
</tr>
<tr>
<td>3% to 5% p.a.**</td>
<td>30 bps p.a.</td>
</tr>
</tbody>
</table>

** Assumes 2% above market growth

Adjusted EPS Growth* 10%+ p.a.

Return

<table>
<thead>
<tr>
<th>ROACE 12%+</th>
<th>Cash Conversion &gt; 80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relative TSR – Outperforming Peers</td>
<td></td>
</tr>
</tbody>
</table>

*Assumes constant currency  I  TSR = Total Shareholder Return  I  Cash conversion is expressed as a percentage of adjusted earnings after tax
Adjusted EPS and ROACE are calculated before brand related intangible asset amortisation and non-trading items (net of related tax)
Shareholder Analysis

Institutional Analysis

- North America 20%
- UK 14%
- Continental Europe | Rest of World 22%
- Ireland 3%

Kerry Co-operative 14%

Retail 27%

Institutions 59%